

**THE OPEN SCHOOL TRUST**  
**COUNCIL MEMBERS' ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH JUNE 2023**  
**COMPANY REG. NO. 02438525**  
**CHARITY NO. 328414**

THE OPEN SCHOOL TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

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## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

REGISTRATION NUMBER: 02438525 (Company limited by guarantee)

CHARITY NUMBER: 328414

COUNCIL MEMBERS: Dr R. Dorrance (Chairperson)  
Dr R. Morpeth  
R.A. Marshall (resigned November 2022)  
C.J. Woolliscroft  
Dr V. Pittard  
S. Mistry  
N. Barratt (appointed February 2023 )

CHIEF EXECUTIVE OFFICER: E Chesterman

REGISTERED OFFICE Woolpack House  
70 High Street  
Sawston  
Cambridge  
CB22 3HJ

AUDITORS: Prentis & Co LLP  
Chartered Accountants & Statutory Auditors  
115c Milton Road  
Cambridge  
CB4 1XE

|          |                                     |                           |
|----------|-------------------------------------|---------------------------|
| BANKERS: | CAF (Charities Aid Foundation) Bank | National Westminster Bank |
|          | 25 Kings Hill Avenue                | Kings Parade Branch       |
|          | Kings Hill                          | 10 Benet Street           |
|          | West Malling, Kent                  | Cambridge                 |
|          | ME19 4TA                            | CB2 3PU                   |

Insignis  
St Johns Innovation Centre  
Cowley Road  
Cambridge  
CB4 0WS

SOLICITORS: Stone King  
3rd Floor  
Bateman House  
82-88 Hills Road  
Cambridge  
CB2 1LQ

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## COUNCIL MEMBERS' ANNUAL REPORT

The Council Members present their annual report and financial statements of the Trust for the year ended 30<sup>th</sup> June 2023. The financial statements have been prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## OBJECTIVES AND ACTIVITIES

*PURPOSES OF THE TRUST AS SET OUT IN THE GOVERNING DOCUMENT*

The Trust's object is that of promoting education for the benefit of the public and to provide or assist in providing both adults and young people with sound general and specialised education and training. Our mission is "to widen learning opportunities for all by creating and promoting alternative modes of study for those who do not follow traditional educational routes".

*MAIN ACTIVITIES UNDERTAKEN IN RELATION TO THOSE PURPOSES*

The principal activities of the Trust during the year were the provision of education for adults and young people through distance learning courses and by publishing training and learning materials.

*COUNCIL MEMBER'S REGARD TO THE CHARITY COMMISSION'S GUIDANCE ON PUBLIC BENEFIT*

The Council Members confirm that they have complied with the duty of section 4 of the Charities Act 2011 relating to public benefit and have considered the Charity Commission's specific public benefit guidance on education, which forms the basis of the following review.

The Charities Act 2011 (Section 2 of Part 1) identifies "the advancement of education" as a public benefit and states that to advance education "means to promote, sustain and increase individual and collective knowledge and understanding of specific areas of study, skills and expertise".

There is clear commonality with this and the Trust's mission. The Trust's strategic objectives, which are kept under constant review, also support this mission. The Trust mainly works with individuals to achieve the advancement of education.

Additionally, the Trust is involved in a programme of improvement in delivery to ensure that education is brought to all people whatever their background in the most attractive and appropriate way. The Trust's work also involves keeping its courses and resources up to date in a wide range of curriculum areas.

## ACHIEVEMENTS AND PERFORMANCE

The Trust fills a significant gap in providing educational opportunities for adults and young people who need flexible part time provision of courses. The Trust takes this role very seriously and invests considerable resources on improving the quality of its course portfolio and enhancing the level of service it offers its students. This year National Extension College marked its 60th Birthday and used the anniversary to celebrate, recognise individual efforts and raise awareness of the valuable work and mission of the Charity.

During the year the College has launched a range of STEM International A levels which allow students to gain a science A level without the need for a practical endorsement. This is vital to those who cannot access the practical aspect of the assessment due to financial or other considerations. It also introduced a companion course to the level 2 Bookkeeping qualification, which enables learners to gain specialist bookkeeping software skills. The College has increased the number of bursary partners/offers and has a range of bursaries which support the most marginalised students to progress to their chosen career. Efforts have been directed to expanding the outreach programme, delivering approximately 20 Live webinar information sessions with partner organisations. These are available to the general public as well as to enrolled students. The topics covered a range from 'Applying to University' with the UEA to 'Careers in Law' with the University of Law.

The College has enhanced its student offer creating a WellBeing for Learning programme and a series of subject Masterclasses. Both are live, synchronous activities which students can engage with to support their learning and to help them reach their potential. To ensure students have access to support when they need it, there is now an online Help Hub available. Here self service support can be gained regarding the student journey, including information on the College's UCAS service, exam booking service and additional tutor services.

A priority this year has been investment in the student experience by upgrading the learning management system to create a more efficient and personalised student journey.

*SUMMARY OF THE MAIN ACHIEVEMENTS OF THE TRUST*

The Trustees anticipated that the 2022-23 financial year would be a challenging year with the need to continue to develop high quality student support along with essential investment in the IT infrastructure and marketing. The Trustees are conscious of the economic challenges the UK has faced over the last 12 months and have taken measures to stabilise any negative effect this may have had on the Trust. The level of enrolments has held up, despite these challenges. Though retail sales have been affected, work with specialist educational charities has increased. There has also been a considerable increase in enrolments from Schools, Colleges and Local Authorities. This builds on the foundations created in the prior year, and is an area of focus for the coming year.

Work with those in the armed services has continued and the College has been successful in re-registering with ELCAS.

The Trust has strengthened its relationship with a large trade union by promoting Functional Skills courses to all members.

An application for a Growth Work Grant was successful and supported further marketing activity and the development aspects of the website.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## COUNCIL MEMBERS' ANNUAL REPORT

The investment in marketing and IT infrastructure as well as a new business development appointment will strengthen the College's ability to engage with new partners and develop sustainable relationships with educational institutions. It will also support the planned course improvement work to the course design and mode of delivery.

Trustees are anticipating that there will be changes to the political environment which may have an impact on national curriculum qualifications.

## FINANCIAL REVIEW

*REVIEW OF THE FINANCIAL POSITION AT THE END OF THE YEAR*

The Council Members are satisfied that the level of free reserves currently has a surplus of £759,314 (2022: £873,138) which they are aiming to increase to a target of £1 million. Income for the year amounted to £1,084,241 (2022: £1,331,599) and expenditure amounted to £1,198,065 (2022: £1,218,991).

## FUNDRAISING

The Open School Trust does not openly fundraise or solicit donations from the public.

## CURRENT FINANCIAL POSITION

Trustees are pleased to see that despite a tough market in terms of the impact of cost of living, and general economic climate affecting students, that the charity has still performed well.

## RESERVES POLICY

The Council Members have a target for free reserves of £1million, and expect this to be achieved over an 8 year term, through increased sales and careful cost management.

The Council Members have considered that the most appropriate policy at present is to maintain all surplus funds in the various bank current and deposit accounts. This policy is kept under review, having regard to the level of funds available. The Member of Council's investment powers are governed by the Trust Deed which permits The Open School Trust to invest the monies of the Trust not immediately required for its purposes in such ways as the Trust shall in its absolute discretion think fit.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

## NATURE OF THE GOVERNING DOCUMENT

The Open School Trust (registered charity 328414) was incorporated in November 1989 with an object to promote education for the benefit of the public. The Open School Trust was dormant from 2003 to 2011 and was revived to take the National Extension College (NEC) out of the administration of the Learning and Skills Network. The Open School Trust took over the assets and the liabilities of the NEC on 16<sup>th</sup> December 2011 and has been running the college as a going concern. The Open School Trust continues to use the trading name National Extension College (NEC). These financial statements cover the 12 months of trading to 30<sup>th</sup> June 2023.

The governing document is the Memorandum and Articles of Association filed at Companies House on 20<sup>th</sup> October 1989.

## CONSTITUTION OF THE CHARITY

The constitution of the Charity is contained in items 1 to 7 of the Memorandum of Association and items 1 to 69 of the Articles of Association.

## THE BOARD OF TRUSTEES (COUNCIL MEMBERS)

The Council Members of the Trust are also directors for the purposes of company law. The Council Members (referred to in the company's articles as the "Council of Management") consists of not less than three members. At present, the Council comprises of seven members from a variety of professional backgrounds relevant to the work of the Trust and meet at least three times a year.

Council Members are responsible for the management of the risks faced by the Trust. Risks are identified and assessed and controls established throughout the year. Significant new ventures are subject to a risk analysis by the Council Members before they are approved. Council Members make a distinction between those initiatives which are subject to normal commercial practices and those which are subject to Government policy. In both cases, The Open School Trust conforms to the legislative framework.

The Trust maintains a Register of Interests and both Council Members and senior executive managers are required to declare annually, and whenever they may arise, any interest which may be perceived as being likely to interfere with the exercise of independent judgement.

The Council is also underpinned by a senior management team, which support its decision making. The senior management team meet on a monthly basis. Experts and tutors are engaged when required to provide the support and development of services.

New Council Members are invited to familiarise themselves with the Trust and the context within which it operates. Briefing sessions jointly led by the Chief Executive Officer and the existing Council Members cover:

- The obligations of the management team.
- The main documents which set out the operational framework of the Trust.
- The current financial position including the latest published financial statements and the current management accounts.
- Future plans and objectives.
- The Charity Commission guide "The Essential Trustee"

## KEY MANAGEMENT PERSONNEL REMUNERATION

The Council Members consider the Members of Council and the Chief Executive as comprising the key management personnel of the charitable company in charge of directing and controlling the charitable company and running and operating the charitable company on a day to day basis.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## COUNCIL MEMBERS' ANNUAL REPORT

## STATEMENT OF MEMBERS OF COUNCIL RESPONSIBILITIES

All Council Members and the outgoing Chief Executive give their time freely and neither the Council Members nor outgoing Chief Executive received any remuneration in the year. Details of Council Member's expenses are disclosed in note 6 to the financial statements and related party transactions are disclosed in note 16 to the financial statements.

*PRINCIPAL RISKS AND UNCERTAINTIES*

Internal controls over all forms of income, assets, commitment and expenditure continue to be refined to improve efficiency and effectiveness. Performance is monitored and appropriate management information is prepared and reviewed regularly by the management team and Trustees.

The Trust currently produces an annual budget and reports monthly against that budget, requiring managers to comment on variances and outline corrective action if required. The Council Members have delegated authority from the Council to ensure that an active risk management process is in place and form part of The Open School Trust's ongoing organisation activity.

The Members of Council are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that year. In preparing those financial statements the Members of Council are required to:

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Observe the methods and principles of the Charities SORP;
- (c) Make judgements and estimates that are reasonable and prudent;
- (d) State whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and Statements of Recommended Practice, subject to any material departures disclosed and explained in the financial statements;
- (e) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Members of Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations.

The Members of Council are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are Members of Council at the time when the Council Members' report is approved:

- (a) So far as each Member of Council is aware, there is no relevant audit information, being information needed by the Trust's auditor in connection with preparing their report, of which the Trust's auditor is unaware, and
- (b) Each Member of Council has taken all steps they ought to have taken as a Member of Council in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

The Auditors, Prentis & Co LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

## APPROVAL

This report was approved by the Members of Council and signed on its behalf, on 5th December 2023.



CHAIR OF THE MEMBERS OF COUNCIL  
R. DORRANCE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF THE OPEN SCHOOL TRUST

## OPINION

We have audited the financial statements of Open School Trust for the year ended 30 June 2023 which comprise of the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2023, and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 5 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council with respect to going concern are described in the relevant sections this report.

## OTHER INFORMATION

The other information comprises the information included in the Council Members' Annual Report, other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Council Members Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Council Members Annual Report has been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Council Member's Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 or Charities Act 2011 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF THE OPEN SCHOOL TRUST

## RESPONSIBILITIES OF COUNCIL MEMBERS

As explained more fully in the Council Members' responsibilities statement in the Council Members Annual Report, the Members of Council (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council Members are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Council Members have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the management and those charged with governance of the charitable company. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have considered the nature of the industry and sector, control environment, laws and regulations of the charitable company, Charity Laws and regulations considered included, but were not limited to, the Companies Act 2006, the Charities Act 2011, Charity SORP and FRS102.

We have enquired with the management in regards to their own assessment of the risks of irregularities, including fraud. We also enquired of the management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

We obtained relevant documentation and representations in order to form an opinion on potential irregularities, including fraud.

We considered the opportunities and incentives that may exist within the organisation for fraud.

Based on this understanding, we designed specific audit procedures to identify instances of non-compliance with laws and regulations, including obtaining additional corroborative evidence as required. Examples of procedures included reviewing large and unusual transactions, reviewing large and unexpected variances, reviewing journal entries and reviewing relevant legal correspondence.

There are inherent limitations in the audit procedures described above, not least as sampling is used under International Auditing Standards, therefore not all transactions are reviewed. Therefore there is a risk we will not detect all irregularities including those leading to a material misstatement in the financial statements or non-compliance with regulations. The risk of not detecting a material misstatement due to fraud is also higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery collusion, omission or intentional misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## USE OF OUR REPORT

This report is made solely to the charity's Council Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's Council Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Council Members as a body, for our audit work, for this report, or for the opinions we have formed.



IAN SHIPLEY FCCA (Senior Statutory Auditor)  
FOR AND ON BEHALF OF  
PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS  
& STATUTORY AUDITORS  
115c Milton Road  
Cambridge  
CB4 1XE

6<sup>th</sup> December 2023

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## STATEMENT OF FINANCIAL ACTIVITIES

|   | Notes | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | Restated<br>2022<br>Total<br>Funds<br>£ |
|---|-------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|---|
| <b>INCOME FROM:</b>                                       |       |                                    |                                  |                             |                                    |                                  |   |
| <b>Charitable activities:</b>                             |       |                                    |                                  |                             |                                    |                                  |   |
| Fees  |       | 1,055,159                          | -                                | 1,055,159                   | 1,304,902                          | -                                | 1,304,902                               |
| Publications and licences                                 |       | 3,704                              | -                                | 3,704                       | 3,818                              | -                                | 3,818                                   |
| Project income  | 3     | -                                  | 3,000                            | 3,000                       | -                                  | -                                | -                                       |
| Other income  |       | 13,606                             | -                                | 13,606                      | 21,568                             | -                                | 21,568                                  |
| <b>Investment income:</b>                                 |       |                                    |                                  |                             |                                    |                                  |   |
| Interest received   |       | 8,772                              | -                                | 8,772                       | 1,311                              | -                                | 1,311                                   |
| <b>TOTAL INCOME</b>                                       |       | <u>1,081,241</u>                   | <u>3,000</u>                     | <u>1,084,241</u>            | <u>1,331,599</u>                   | <u>-</u>                         | <u>1,331,599</u>                        |
| <b>EXPENDITURE ON:</b>                                    |       |                                    |                                  |                             |                                    |                                  |   |
| <b>Charitable activities:</b>                             |       |                                    |                                  |                             |                                    |                                  |   |
| Fees  | 4     | 1,150,947                          | -                                | 1,150,947                   | 1,169,707                          | -                                | 1,169,707                               |
| Publications and licences                                 | 4     | 17,072                             | -                                | 17,072                      | 16,750                             | -                                | 16,750                                  |
| Projects  | 4     | -                                  | 3,000                            | 3,000                       | -                                  | 2,690                            | 2,690                                   |
| Other costs   | 4     | 27,045                             | -                                | 27,045                      | 29,844                             | -                                | 29,844                                  |
| <b>TOTAL EXPENDITURE</b>                                  |       | <u>1,195,064</u>                   | <u>3,000</u>                     | <u>1,198,064</u>            | <u>1,216,301</u>                   | <u>2,690</u>                     | <u>1,218,991</u>                        |
| <b>Net (expenditure)/income and net movement in funds</b> | 5     | (113,823)                          | -                                | (113,823)                   | 115,298                            | (2,690)                          | 112,608                                 |
| <b>RECONCILIATION OF FUNDS</b>                            |       |                                    |                                  |                             |                                    |                                  |   |
| Total funds brought forward                               |       | 873,138                            | -                                | 873,138                     | 757,840                            | 2,690                            | 760,530                                 |
| <b>Total funds carried forward</b>                        |       | <u>759,315</u>                     | <u>-</u>                         | <u>759,315</u>              | <u>873,138</u>                     | <u>-</u>                         | <u>873,138</u>                          |

The Statement of Financial Activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 10 to 17 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## BALANCE SHEET

|  | Notes | 2023<br>£       | 2022<br>£        |
|--|-------|-----------------|------------------|
| <b>FIXED ASSETS</b>                            |       |                 |                  |
| Intangible assets                              | 8     | 79,935          | 119,140          |
| Tangible assets                                | 9     | 12,749          | 34,180           |
| <b>TOTAL FIXED ASSETS</b>                      |       | <u>92,684</u>   | <u>153,320</u>   |
| <b>CURRENT ASSETS</b>                          |       |                 |                  |
| Stocks   | 10    | 6,579           | 10,436           |
| Debtors  | 11    | 56,491          | 66,702           |
| Cash at bank and in hand                       |       | 766,303         | 852,735          |
| <b>TOTAL CURRENT ASSETS</b>                    |       | <u>829,373</u>  | <u>929,873</u>   |
| <b>LIABILITIES:</b>                            |       |                 |                  |
| Creditors: Amounts falling due within one year | 12    | <u>(68,589)</u> | <u>(100,025)</u> |
| <b>NET CURRENT ASSETS</b>                      |       | 760,784         | 829,848          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>   |       | <u>853,468</u>  | <u>983,168</u>   |
| <b>PROVISIONS FOR LIABILITIES</b>              | 13    | (94,153)        | (110,030)        |
| <b>TOTAL NET ASSETS</b>                        |       | <u>759,315</u>  | <u>873,138</u>   |
| <b>THE FUNDS OF THE CHARITY:</b>               |       |                 |                  |
| Unrestricted Funds                             | 14    | 759,315         | 873,138          |
| Restricted Funds                               | 14    | -               | -                |
| <b>TOTAL FUNDS</b>                             |       | <u>759,315</u>  | <u>873,138</u>   |

The financial statements were approved by the Council of Trustees on 5<sup>th</sup> December 2023.  
and signed on its behalf by

*Mc - Jm -*

CHAIR OF THE COUNCIL OF MEMBERS  
R. DORRANCE

The notes on pages 10 to 17 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## STATEMENT OF CASH FLOWS

|  | Notes | 2023<br>Total<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|--|-------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities:</b>               |       |                             |                             |
| <i>Net cash provided by/(used in) operating activities</i> | 17    | (67,881)                    | 73,255                      |
| <b>Cash flows from investing activities:</b>               |       |                             |                             |
| Purchase of tangible fixed assets                          |       | (3,887)                     | (7,752)                     |
| Capitalisation of intangible assets                        |       | (14,664)                    | (25,787)                    |
| <i>Net cash provided by/(used in) investing activities</i> |       | (18,551)                    | (33,539)                    |
| <i>Change in cash and cash equivalents in the year</i>     |       | (86,432)                    | 39,716                      |
| Cash and cash equivalents brought forward                  |       | 852,735                     | 813,019                     |
| Cash and cash equivalents carried forward                  |       | 766,303                     | 852,735                     |

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

## (a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Open School Trust meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

## (b) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the money and the amounts can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

*Fee and Publications income:*

Fee income represents the invoiced value of fees for distance learning courses and contracts net of Value Added Tax and discounts. Because of the nature and advantage of distance learning there is no set length of a course. Courses can be undertaken in a matter of weeks or over a year, courses can be purchased simply for the material to support the material of other educators, and students can cease their studies permanently because of a number outside factors. Because of the above there is no reliable measure of the length of a course and timing of the income stream. Therefore the trust considers it appropriate to recognise fee income where a course has been ordered.

Publication income represents the invoiced value of publications of learning material.

*Project and Grant income:*

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

*Investment income:*

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the bank.

## (c) EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the following expenditure headings as follows:

*Raising funds:*

Costs of raising funds comprise the costs of seeking and applying for grants and costs associated with the seeking and arranging of licence fee agreements.

*Charitable activities:*

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the trust and their associated support costs. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Governance costs include all expenditure not directly related to the charitable activity or fundraising ventures. This includes an appropriate proportion of costs of renting and running office premises, staff salaries for administration staff and audit fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

## (e) OPERATING LEASES

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities as incurred.

## (f) TANGIBLE FIXED ASSETS

The charity has a policy of capitalising fixed assets with a cost in excess of £250. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the costs less estimated residual value of each asset over its expected useful life as follows:

|                        |                               |
|------------------------|-------------------------------|
| Leasehold improvements | - 4 years straight line       |
| Equipment and software | - 3 and 4 years straight line |

## (g) INTANGIBLE FIXED ASSETS

*Goodwill:*

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. The Council Members had previously estimated the economic life to be 20 years for which it was amortised to the Statement of Financial Activities from 1 July 2012.

Following a review undertaken by the Council Members, from 1 July 2015 it was agreed that the economic life was to be reduced and as such the remaining value of the goodwill will be amortised over the next 10 years.

*Course development:*

The Trust defers course development expenditure on new course products where the project meets the criteria set out for deferred costs in FRS 102.

Identifiable development expenditure is deferred on clearly defined projects where the outcome has been assured with reasonable certainty and is viable in light of current market conditions. Income is expected to exceed all development costs. The life of each course on completion and commencement of marketing is expected to be 3 years and each course is reviewed annually to ensure commercial prospects remain, otherwise the costs are written off in that year.

## (h) STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost of course materials and publications includes materials, printing and other direct costs at cost price.

## (i) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## (j) CREDITORS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## (k) PROVISIONS FOR LIABILITIES

A provision for deferred income relating to the tutor element of each course is included under liabilities.

Each course sold comprises of study materials and tutor support. The length of time taken to complete the course depends on the student's objectives and often the course is purchased for the study materials alone. Tutor support is given for a period of 24 months from the start of the course and that part of the course fees is estimated and deferred over that period.

## 2. LEGAL STATUS OF THE CHARITY

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

| 3. | INCOME FROM PROJECTS | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|----|----------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
|    | Open University      | -                                  | 3,000                            | 3,000                       | -                                  | -                                | -                           |

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

4. EXPENDITURE ON:  
CHARITABLE ACTIVITIES  
FOR THE YEAR ENDED 30TH JUNE 2023

|                         | Activities<br>Undertaken<br>Directly | Other Direct<br>Costs | Support<br>Costs | 2023<br>Total    |
|-------------------------|--------------------------------------|-----------------------|------------------|------------------|
|                         | £                                    | £                     | £                | £                |
| Fees                    | 697,471                              | 3,224                 | 450,252          | 1,150,947        |
| Publications & licences | 15,771                               | -                     | 1,301            | 17,072           |
| Projects                | -                                    | 3,000                 | -                | 3,000            |
| Governance costs        | -                                    | -                     | 27,045           | 27,045           |
|                         | <u>713,242</u>                       | <u>6,224</u>          | <u>478,598</u>   | <u>1,198,064</u> |

ANALYSIS OF SUPPORT COSTS  
FOR THE YEAR ENDED 30TH JUNE 2023

|                                | Fees           | Publications<br>& Licences | Governance | 2023<br>Total  |
|--------------------------------|----------------|----------------------------|------------|----------------|
|                                | £              | £                          | £          | £              |
| Postage and carriage           | 1,319          | 4                          | -          | 1,323          |
| Staff costs                    | 135,975        | 393                        | -          | 136,368        |
| Office expenses                | 995            | 3                          | -          | 998            |
| Computer and hardware expenses | 54,533         | 158                        | -          | 54,691         |
| Telephone                      | 4,479          | 13                         | -          | 4,492          |
| Depreciation and amortisation  | 78,959         | 228                        | -          | 79,187         |
| Professional fees              | 29,696         | 86                         | -          | 29,782         |
| Accountancy                    | 114            | -                          | -          | 114            |
| Other costs                    | 1,376          | 4                          | -          | 1,380          |
| Recruitment costs              | 490            | 1                          | -          | 491            |
| Bank and credit card charges   | 12,595         | 36                         | -          | 12,631         |
| Premises expenses              | 40,015         | 116                        | -          | 40,131         |
| Advertising and marketing      | 89,706         | 259                        | -          | 89,965         |
|                                | <u>450,252</u> | <u>1,301</u>               | <u>-</u>   | <u>451,553</u> |

ANALYSIS OF GOVERNANCE COSTS

|                                 |                |              |               |                |
|---------------------------------|----------------|--------------|---------------|----------------|
| Legal and professional          | -              | -            | 13,409        | 13,409         |
| Auditors remuneration           | -              | -            | 7,596         | 7,596          |
| Trustees expenses               | -              | -            | 40            | 40             |
| Apportionment of premises costs | -              | -            | 6,000         | 6,000          |
|                                 | <u>450,252</u> | <u>1,301</u> | <u>27,045</u> | <u>478,598</u> |

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

|     |   |                |                            |                |                  |
|-----|---|----------------|----------------------------|----------------|------------------|
| 4.a | EXPENDITURE ON:<br>CHARITABLE ACTIVITIES<br>FOR THE YEAR ENDED 30TH JUNE 2022 | Activities     |                            |                | Restated         |
|     |   | Undertaken     | Other Direct               | Support        | 2022             |
|     |   | Directly       | Costs                      | Costs          | Total            |
|     |   | £              | £                          | £              | £                |
|     | Fees  | 682,403        | 8,377                      | 478,927        | 1,169,707        |
|     | Publications & licences   | 15,373         | -                          | 1,377          | 16,750           |
|     | Projects  | -              | 2,690                      | -              | 2,690            |
|     | Governance costs  | -              | -                          | 29,844         | 29,844           |
|     |   | <u>697,776</u> | <u>11,067</u>              | <u>510,148</u> | <u>1,218,991</u> |
|     | ANALYSIS OF SUPPORT COSTS<br>FOR THE YEAR ENDED 30TH JUNE 2022                |                |                            |                | Restated         |
|     |   | Fees           | Publications<br>& Licences | Governance     | 2022             |
|     |   | £              | £                          | £              | Total            |
|     | Postage and carriage  | 1,092          | 3                          | -              | 1,095            |
|     | Staff costs   | 132,548        | 381                        | -              | 132,929          |
|     | Office expenses   | 6,066          | 17                         | -              | 6,083            |
|     | Computer and hardware expenses  | 58,944         | 169                        | -              | 59,113           |
|     | Telephone   | 5,542          | 16                         | -              | 5,558            |
|     | Depreciation and amortisation   | 108,021        | 311                        | -              | 108,332          |
|     | Professional fees   | 14,726         | 42                         | -              | 14,768           |
|     | Accountancy   | 102            | -                          | -              | 102              |
|     | Other costs   | 318            | 1                          | -              | 319              |
|     | Recruitment costs   | 875            | 3                          | -              | 878              |
|     | Bank and credit card charges  | 15,646         | 45                         | -              | 15,691           |
|     | Premises expenses   | 55,844         | 161                        | -              | 56,005           |
|     | Advertising and marketing   | 79,203         | 228                        | -              | 79,431           |
|     |   | <u>478,927</u> | <u>1,377</u>               | <u>-</u>       | <u>480,304</u>   |
|     | ANALYSIS OF GOVERNANCE COSTS  |                |                            |                |                  |
|     | Legal and professional  | -              | -                          | 16,470         | 16,470           |
|     | Auditors remuneration   | -              | -                          | 6,900          | 6,900            |
|     | Council Member expenses   | -              | -                          | 474            | 474              |
|     | Apportionment of premises costs   | -              | -                          | 6,000          | 6,000            |
|     |   | <u>478,927</u> | <u>1,377</u>               | <u>29,844</u>  | <u>510,148</u>   |

The 2022 figures have been restated to give a better reflection of the split of the charity's costs. The reserves remain unchanged.

|    |   |        |        |
|----|---|--------|--------|
| 5. | NET EXPENDITURE/INCOME FOR THE YEAR                     |        |        |
|    | The net expenditure this year is stated after charging: | 2023   | 2022   |
|    |   | £      | £      |
|    | Auditors remuneration - Audit                           | 7,596  | 6,900  |
|    | - Other services (consultancy)                          | 114    | 102    |
|    | Depreciation of tangible fixed assets                   | 25,318 | 37,626 |
|    | Amortisation of intangible fixed assets                 | 53,869 | 70,706 |

## MANAGEMENT THREAT IN RELATION TO NON-AUDIT SERVICES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

|    |  |                |                |
|----|--|----------------|----------------|
| 6. | ANALYSIS OF STAFF COSTS AND REMUNERATION OF<br>KEY MANAGEMENT PERSONNEL          | 2023           | 2022           |
|    |  | £              | £              |
|    | Salaries and wages   | 607,782        | 603,359        |
|    | Social security costs  | 47,048         | 43,417         |
|    | Pension contributions  | 32,156         | 33,733         |
|    |  | <u>686,986</u> | <u>680,509</u> |
|    | The average weekly number of staff employed by the charity during the year were: | 2023           | 2022           |
|    | Charitable activities  | 24             | 25             |
|    | Management and Administration  | 2              | 2              |
|    |  | <u>26</u>      | <u>27</u>      |

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

6. ANALYSIS OF STAFF COSTS AND REMUNERATION OF  
KEY MANAGEMENT PERSONNEL continued

The number of employees whose emoluments (salaries and pension contributions) exceeded £60,000 was 1 (2022: 1). Council Members received no remuneration in the year (2022 - £nil). Council Members expenses reimbursed during the year were £40 (2022 - £474).

The Trust considers its key management personnel comprise of the Council Members and the Chief Executive Officer, all of which received £76,685 (2022 - £76,360).

## 7. TAXATION

As a charity, Open School Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

8. INTANGIBLE FIXED ASSETS  
FOR THE YEAR ENDED 30TH JUNE 2023

## COST OR VALUATION

Balance at 1st July 2022

Additions

Balance at 30th June 2023

## AMORTISATION

Balance at 1st July 2022

Charge for the year

Balance at 30th June 2023

NET BOOK VALUE as at 30th June 2023

|                                     | Goodwill | Course<br>Development | Total     |
|-------------------------------------|----------|-----------------------|-----------|
|                                     | £        | £                     | £         |
| Balance at 1st July 2022            | 301,166  | 725,153               | 1,026,319 |
| Additions                           | -        | 14,664                | 14,664    |
| Balance at 30th June 2023           | 301,166  | 739,817               | 1,040,983 |
| AMORTISATION                        |          |                       |           |
| Balance at 1st July 2022            | 224,367  | 682,812               | 907,179   |
| Charge for the year                 | 25,599   | 28,270                | 53,869    |
| Balance at 30th June 2023           | 249,966  | 711,082               | 961,048   |
| NET BOOK VALUE as at 30th June 2023 | 51,200   | 28,735                | 79,935    |

8a. INTANGIBLE FIXED ASSETS  
FOR THE YEAR ENDED 30TH JUNE 2022

## COST OR VALUATION

Balance at 1st July 2021

Additions

Balance at 30th June 2022

## AMORTISATION

Balance at 1st July 2021

Charge for the year

Balance at 30th June 2022

NET BOOK VALUE as at 30th June 2022

|                                     | Goodwill | Course<br>Development | Total     |
|-------------------------------------|----------|-----------------------|-----------|
|                                     | £        | £                     | £         |
| Balance at 1st July 2021            | 301,166  | 699,366               | 1,000,532 |
| Additions                           | -        | 25,787                | 25,787    |
| Balance at 30th June 2022           | 301,166  | 725,153               | 1,026,319 |
| AMORTISATION                        |          |                       |           |
| Balance at 1st July 2021            | 198,768  | 637,705               | 836,473   |
| Charge for the year                 | 25,599   | 45,107                | 70,706    |
| Balance at 30th June 2022           | 224,367  | 682,812               | 907,179   |
| NET BOOK VALUE as at 30th June 2022 | 76,799   | 42,341                | 119,140   |

9. TANGIBLE FIXED ASSETS  
YEAR ENDED 30TH JUNE 2023

## COST OR VALUATION

Balance at 1st July 2022

Additions

Balance at 30th June 2023

## DEPRECIATION

Balance at 1st July 2022

Charge for the year

Balance at 30th June 2023

NET BOOK VALUE as at 30th June 2023

|                                     | Equipment<br>& Software | Total   |
|-------------------------------------|-------------------------|---------|
|                                     | £                       | £       |
| Balance at 1st July 2022            | 313,547                 | 313,547 |
| Additions                           | 3,887                   | 3,887   |
| Balance at 30th June 2023           | 317,434                 | 317,434 |
| DEPRECIATION                        |                         |         |
| Balance at 1st July 2022            | 279,367                 | 279,367 |
| Charge for the year                 | 25,318                  | 25,318  |
| Balance at 30th June 2023           | 304,685                 | 304,685 |
| NET BOOK VALUE as at 30th June 2023 | 12,749                  | 12,749  |



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

|     |  |             |            |          |
|-----|--|-------------|------------|----------|
| 9a. | TANGIBLE FIXED ASSETS                          | Leasehold   | Equipment  |          |
|     | YEAR ENDED 30TH JUNE 2022                      | Improvement | & Software | Total    |
|     | COST OR VALUATION                              | £           | £          | £        |
|     | Balance at 1st July 2021                       | 30,073      | 319,254    | 349,327  |
|     | Additions                                      | -           | 7,752      | 7,752    |
|     | Disposals                                      | (30,073)    | (13,459)   | (43,532) |
|     | Balance at 30th June 2022                      | -           | 313,547    | 313,547  |
|     | DEPRECIATION                                   |             |            |          |
|     | Balance at 1st July 2021                       | 30,073      | 255,200    | 285,273  |
|     | Charge for the year                            | -           | 37,626     | 37,626   |
|     | Eliminated on disposal                         | (30,073)    | (13,459)   | (43,532) |
|     | Balance at 30th June 2022                      | -           | 279,367    | 279,367  |
|     | NET BOOK VALUE as at 30th June 2022            | -           | 34,180     | 34,180   |
| 10. | STOCKS   |             | 2023       | 2022     |
|     |  |             | £          | £        |
|     | Finished goods and goods for resale            |             | 6,579      | 10,436   |
| 11. | DEBTORS  |             | 2023       | 2022     |
|     |  |             | £          | £        |
|     | Trade debtors                                  |             | 38,942     | 46,445   |
|     | Prepayments and accrued income                 |             | 16,236     | 20,192   |
|     | Other debtors                                  |             | 1,313      | 65       |
|     |  |             | 56,491     | 66,702   |
| 12. | CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR |             | 2023       | 2022     |
|     |  |             | £          | £        |
|     | Trade creditors                                |             | 12,198     | 32,930   |
|     | Other creditors                                |             | 16,089     | 17,231   |
|     | Accruals and deferred income                   |             | 40,302     | 49,864   |
|     |  |             | 68,589     | 100,025  |
| 13. | PROVISIONS FOR LIABILITIES                     |             | 2023       | 2022     |
|     |  |             | £          | £        |
|     | Balance brought forward                        |             | 110,030    | 123,268  |
|     | Movement in provision                          |             | (15,877)   | (13,238) |
|     | Balance carried forward                        |             | 94,153     | 110,030  |

The provision relates to deferred course fee income. As the Trust accepts students on a regular basis, it is expected that the provision will be in line with student numbers. The provision is calculated on the income received from course sales, discounted to remove all non-tutor cost elements that are considered expended on the purchase of the course, and deferred over the expected life of a course up to a 24 month period from commencement of the course.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

|      |   |                         |             |                  |                         |
|------|---|-------------------------|-------------|------------------|-------------------------|
| 14.  | ANALYSIS OF CHARITABLE FUNDS<br>YEAR ENDED 30TH JUNE 2023 | Brought<br>Forward<br>£ | Income<br>£ | Expenditure<br>£ | Carried<br>Forward<br>£ |
|      | UNRESTRICTED FUNDS  |                         |             |                  |                         |
|      | General funds   | 873,138                 | 1,081,241   | (1,195,064)      | 759,315                 |
|      | RESTRICTED FUNDS  |                         |             |                  |                         |
|      | Open University   | -                       | 3,000       | (3,000)          | -                       |
|      | TOTAL FUNDS   | 873,138                 | 1,084,241   | (1,198,064)      | 759,315                 |
| 14a. | ANALYSIS OF CHARITABLE FUNDS<br>YEAR ENDED 30TH JUNE 2022 | Brought<br>Forward<br>£ | Income<br>£ | Expenditure<br>£ | Carried<br>Forward<br>£ |
|      | UNRESTRICTED FUNDS  |                         |             |                  |                         |
|      | General funds   | 757,840                 | 1,331,599   | (1,216,301)      | 873,138                 |
|      | RESTRICTED FUNDS  |                         |             |                  |                         |
|      | Open University   | 2,690                   | -           | (2,690)          | -                       |
|      | TOTAL FUNDS   | 760,530                 | 1,331,599   | (1,218,991)      | 873,138                 |

Restricted fund purpose:

Open University - funding received towards a joint project with Open University for market research on Chinese learning market.

|      |   |                                    |                                  |                             |
|------|---|------------------------------------|----------------------------------|-----------------------------|
| 15.  | ANALYSIS OF NET ASSETS BETWEEN FUNDS<br>YEAR ENDED 30TH JUNE 2023 | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ |
|      | Intangible fixed assets   | 79,935                             | -                                | 79,935                      |
|      | Tangible fixed assets   | 12,749                             | -                                | 12,749                      |
|      | Current assets  | 829,373                            | -                                | 829,373                     |
|      | Creditors due within one year                                     | (68,589)                           | -                                | (68,589)                    |
|      | Provision for liabilities   | (94,153)                           | -                                | (94,153)                    |
|      |   | 759,315                            | -                                | 759,315                     |
| 15a. | ANALYSIS OF NET ASSETS BETWEEN FUNDS<br>YEAR ENDED 30TH JUNE 2022 | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|      | Intangible fixed assets   | 119,140                            | -                                | 119,140                     |
|      | Tangible fixed assets   | 34,180                             | -                                | 34,180                      |
|      | Current assets  | 929,873                            | -                                | 929,873                     |
|      | Creditors due within one year                                     | (100,025)                          | -                                | (100,025)                   |
|      | Provision for liabilities   | (110,030)                          | -                                | (110,030)                   |
|      |   | 873,138                            | -                                | 873,138                     |

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

## NOTES TO THE FINANCIAL STATEMENTS

## 16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

## 17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

|                                | 2023<br>£       | 2022<br>£     |
|--------------------------------|-----------------|---------------|
| Net movement in funds          | (113,823)       | 112,608       |
| Add: Depreciation              | 25,318          | 37,626        |
| Add: Amortisation              | 53,869          | 70,706        |
| Decrease in stocks             | 3,857           | 6,246         |
| Decrease/(increase) in debtors | 10,211          | (18,785)      |
| (Decrease) in creditors        | (47,313)        | (135,146)     |
|                                | <u>(67,881)</u> | <u>73,255</u> |

## 18. PENSIONS

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees.

The assets of the scheme are administered by an independent pensions provider.

Pension payments recognised as an expense during the year amount to £32,156 (2022: £33,773).

## 19. OTHER COMMITMENTS

On 30th June 2023, the charity had total commitments under non cancellable operating leases as follows:-

|                       | Land & Buildings |                |
|-----------------------|------------------|----------------|
|                       | 2023<br>£        | 2022<br>£      |
| In less than one year | 30,000           | 30,000         |
| More than one year    | 60,000           | 90,000         |
|                       | <u>90,000</u>    | <u>120,000</u> |

The Open School Trust entered into a new 10 year lease with a 5 year break clause. The total commitment until the break clause is £90,000 (2022: £120,000).